

OFFICE OF CITY CONTROLLER

CITY OF HOUSTON
INTER OFFICE CORRESPONDENCE

To	Mayor Lee P. Brown City Council Members	From	Judy Gray Johnson City Controller
		Date	November 26, 2003
		Subject	October 2003 Financial Report

Attached is the Monthly Financial and Operations Report for the period ending October 31, 2003.

GENERAL FUND – FY 2003

Our estimate of the fiscal year 2003 ending Fund Balance has increased from last month's projection by \$242 thousand to \$85.9 million. This increase is due to miscellaneous prior period revenues. We will continue to report any significant changes to that estimate until the annual audit process is completed.

GENERAL FUND – FY 2004

Revenues

Our Sales Tax revenue projection has increased by \$5.5 million. The increase is based upon actual receipts for the first quarter, and our revised projections for the remainder of FY 04. The economic news continues to improve, and the forecasts for holiday spending are more encouraging than previous reports.

Expenditures

Our Departmental expenditure projection has decreased by \$11.1 million due to spending controls put in place by the Administration.

As a result of our higher projection for Sales Taxes and the spending controls, we are now projecting a budget shortfall of approximately \$7.8 million.

Mayor Lee P. Brown
City Council Members
October 2003 Monthly Financial and Operations Report

HIGHLIGHTS OF THE BOND STATUS REPORT

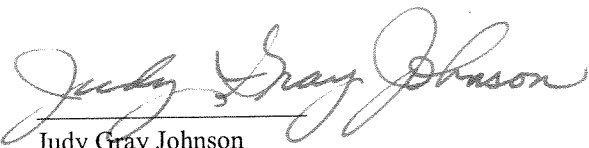
COMMERCIAL PAPER	Drawdowns FY04 (in millions)	Drawdowns in Oct. (in millions)	Authorization/ (Refunded) (in millions)	Increased Amount Available to be Drawn (in millions)	Amount Outstanding (in millions)
General Obligation					
<i>(Series A & B)</i>					
<i>Public Improvement Bond</i>	\$ 16.00	\$ 8.00	\$ (69.00)	\$ 91.00	\$ 287.30
<i>(Series C)</i>	\$ 2.40	\$ 0.00	\$ (45.90)	\$ 0.00	\$ 0.00
<i>Equipment</i>	\$ 3.10	\$ 3.00	\$ (19.10)	\$ 0.00	\$ 0.00
<i>Storm & Overlay</i>					
<i>(Series D)</i>	\$ 20.00	\$ 10.00	\$ 110.00	\$ 242.00	\$ 33.00
<i>(Series E)</i>					
<i>Downtown Streetscape</i>	\$ (2.50)	\$ 0.00	\$ 0.00	\$ 2.50	\$ 3.00
<i>Equipment</i>	\$ 7.50	\$ 5.00	\$ 0.00	\$ 62.00	\$ 7.50
Water and Sewer	\$ 190.00	\$ 60.00	\$ 0.00	\$ 294.75	\$ 605.25
<i>(Series A & B)</i>					
Aviation	\$ 0.00	\$ 0.00	\$ 0.00	\$ 300.00	\$ 0.00
<i>(Series A,B, & C)</i>					
Convention & Entertainment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 52.50	\$ 22.50
<i>(Series A)</i>					

The City's practice has been to maintain no more than 20% of the total outstanding debt for each type of debt in a variable rate structure.

As of October 31, 2003, the ratio for each type of outstanding debt was:

General Obligation	16.2%
Water and Sewer	15.0%
Aviation	16.0%
Conv & Entertainment	27.1%

Respectfully submitted,


Judy Gray Johnson
City Controller